

GDP INCREASES IN FIRST QUARTER

“Advance” estimate of GDP

Real gross domestic product (GDP) increased 3.2 percent in the first quarter of 2019, according to the “advance” estimate released by the Bureau of Economic Analysis. In the fourth quarter of 2018, real GDP increased 2.2 percent.

GDP highlights

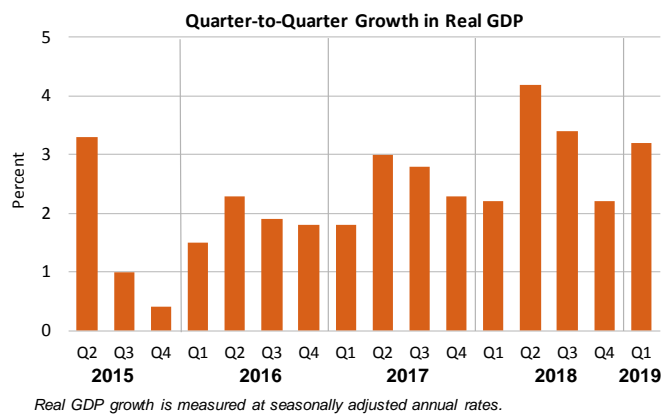
The increase in real GDP reflected increases in consumer spending, inventory investment, exports, government spending, and business investment that were partly offset by a decrease in housing investment. Imports, which are a subtraction in the calculation of GDP, decreased in the first quarter.

The increase in consumer spending reflected an increase in services (led by health care) that was partly offset by a decrease in goods, specifically motor vehicles and parts.

The increase in inventory investment reflected an increase in manufacturing inventories, notably nondurable goods.

The increase in exports reflected increases in exports of both goods and services.

The increase in government spending reflected an upturn in state and local government spending, notably investment in structures.



First-quarter prices

Prices of goods and services purchased by U.S. residents increased 0.8 percent in the first quarter of 2019, after increasing 1.7 percent in the fourth quarter of 2018.

Food prices increased 3.0 percent, while energy prices decreased 16.7 percent in the first quarter.

Excluding food and energy, prices increased 1.3 percent in the first quarter of 2019, compared with an increase of 1.8 percent in the fourth quarter.

